Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

News Media Information 202 / 418-0500 Fax-On-Demand 202 / 418-2830 TTY 202 / 418-2555 Internet: http://www.fcc.gov ftp.fcc.gov

DA 06-2359

Released: November 22, 2006

# DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF CORONA HOLDINGS, INC. TO SSF PARTNERS, LLC

#### STREAMLINED PLEADING CYCLE ESTABLISHED

**WC Docket No. 06-202** 

Comments Due: December 6, 2006

Reply Comments Due: December 13, 2006

On October 30, 2006, Corona Holdings, Inc. ("Corona") and SSF Partners, LLC (collectively, "Applicants"), filed an application, pursuant to section 63.04 of the Commission's rules, 1 requesting authority to transfer control of Corona Holdings, Inc. to SSF Partners, LLC ("SSF"). 2

Applicants assert that this transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(ii) and (iii) of the Commission's rules because the transaction would result in the transferee having a market share in the interstate, interexchange market of less than 10 percent, and the transferee would provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction. With respect to section 63.03(b)(2)(ii), the Applicants area a dominant carrier and a non-dominant carrier that provides services exclusively outside the geographic area where the dominant carrier is dominant. With respect to section 63.03(b)(2)(iii), the Applicants are incumbent, independent local exchange carriers that have, in combination, fewer than two percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas.<sup>3</sup>

Corona Holdings, Inc. is a North Carolina corporation, which does not itself provide telecommunications services at any location. Corona is the parent entity of Cable Co, LLC d/b/a gh

<sup>&</sup>lt;sup>1</sup> 47 C.F.R. §§ 63.03, 63.04; see 47 U.S.C. § 214.

<sup>&</sup>lt;sup>2</sup> Applicants state that they will file an application for transfer of control associated with authorization for international services. Any action on this domestic 214 application is without prejudice to Commission action on other related, pending applications. On November 16, 2002, Applicants filed a supplement to their application. *See* Corona Holdings Inc., Application for Authorization Pursuant to Section 214 of the Communications Act, as Amended, for Transfer of Control, Supplement, WC Docket No. 06-202 (filed November 16, 2006) (November 16 Supplement).

<sup>&</sup>lt;sup>3</sup> 47 C.F.R. §§ 63.03(b)(2)(ii) and (iii).

Valley LD ("CableCo"), South Park LLC d/b/a South Park Telephone Company ("South Park"), and The Rye Telephone Company ("Rye"), each of which is ultimately 100% owned by Corona. Corona is a wholly-owned subsidiary of American Broadband Acquisition Corp. III. The owners of at least ten percent (10%) of equity of the American Broadband Acquisition Corp. III are American Broadband Communications, LLC (49%) and Signal Equity Partners II, LP (40%). The owners of at least ten percent (10%) of equity of American Broadband Communications, LLC are Patrick L. Eudy (48.75%) and William H. Tucker (48.75%). Signal Equity Partners II, LP is owned by Signal Equity Advisors II, LLC (2.94%, general partner); Garden House LLC (58.9%, limited partner); Eurazeo (23.5%, limited partner); and Burden Direct Investment Fund III (11.76%, limited partner). The owners of at least ten percent (10%) of equity of Signal Equity Advisors II, LLC are: Timothy P. Bradley (23.3%); Alfred j. Puchala, Jr. (22.3%); Christian Nolen (19.6%); Malcolm C. Nolen (19.6%); and Charles I. Lake II (11.2%).

CableCo, a Colorado corporation, is a toll reseller providing service to subscribers in and around Colorado City, Colorado. SouthPark, a Colorado corporation, is an incumbent LEC providing local exchange and exchange access service to subscribers in and around South Park, Colorado. Rye, also a Colorado corporation, is an independent telephone company providing local exchange and exchange access service to subscribers in and around Colorado City, Colorado.

SSF, a Delaware limited liability company, is a U.S. investment corporation. DB Zwirn Special Opportunities Fund, LP ("DBZ-SOF") holds a 99% equity interest in SSF. With the agreement of DBZ-SOF, the authority to oversee and control the day-to-day management and operations of SSF has been delegated to SSF Advisors, LLC (SSF Advisors). SSF Advisors is owned by three U.S. citizens with a 10% or greater equity interest: Timothy P. Bradley (36.84%), Alfred J. Puchala, Jr. (36.84%), Charles T. Lake, II (18.42%).

Following consummation of the proposed transaction, Corona Holdings, Inc. will continue to be a 100% wholly-owned subsidiary of American Broadband Acquisition Corp., III. The following changes will occur in the ownership of American Broadband Acquisition Corp. III: American Broadband Communications, LLC will hold 30%, rather than the current 49%; Signal Equity Partners II LP, will not hold any interest; SSF Partners, Inc., will hold 70% of Corona Holdings. Accordingly, control of Corona

\_

<sup>&</sup>lt;sup>4</sup> American Broadband Communications, Inc., ("ABCI"), a sister corporation to American Broadband Communications LLC ("ABCL"), holds 49% of American Georgetown, Inc., which, in turn, owns 100% of Georgetown Telephone Company, an incumbent Local Exchange Carrier (incumbent LEC) in Mississippi. Signal Equity Partners II, LP ("Signal"), owns the remaining 51% of American Georgetown, Inc. ABCI also holds 49% of Northwest Missouri Holdings, Inc., which, in turn, holds 100% of Oregon Farmers Mutual Telephone Company, an ILEC in Missouri. Signal owns the remaining 51% of Northwest Missouri Holdings, Inc. American Broadband Acquisition Corp. ("ABAC") has a 100% interest in Eastern Kansas Holdings, Inc., which, in turn, owns 100% of S & A Telephone Company, Inc., a Kansas incumbent LEC. ABCL owns 49% of ABAC; Signal owns 26.4% of ABAC with 51% of Pymatuning Holding Company, which owns 100% of the Pymatuning Independent Telephone Company, a Pennsylvania rural incumbent LEC. ABAC has a 100% interest in Waverly Hall Holdings, Inc., which in turn owns 100% of Waverly Hall Telephone, LLC, an incumbent LEC in Georgia. American Broadband Acquisition Corp. IV has a 100% interest in Mail Holdings, Inc. which, in turn, owns 100% of Gridley Enterprises, Inc. Gridley Enterprises, Inc. owns 100% of Gridley Communications, Inc. and Gridley Telephone Co., an incumbent LEC in Illinois. See November 16 Supplement for the state of incorporation and service area for each telecom provider listed. November 16 Supplement, WC Docket No. 06-202 (Nov. 16, 2006).

will transfer from American Broadband Acquisition Corp. III to SSF Partners, LLC.

Applicants state that the proposed transaction will serve the public interest because CableCo, South Park, and Rye will continue to provide local exchange, exchange access, and long distance service to their current respective subscribers in a manner that will render the proposed transfer transparent to the companies' subscribers.

### **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file **comments on or before December 6, 2006** and **reply comments on or before December 13, 2006**. Unless otherwise notified by the Commission, Applicants are permitted to transfer the assets and related control on the 31st day after the date of this notice. Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. See Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: <a href="http://www.fcc.gov/cgb/ecfs/">http://www.fcc.gov/cgb/ecfs/</a> or the Federal eRulemaking Portal: <a href="http://www.regulations.gov">http://www.regulations.gov</a>. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to <a href="mailto:ecfs@fcc.gov">ecfs@fcc.gov</a>, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

<sup>&</sup>lt;sup>5</sup> See 47 C.F.R. § 63.03(a).

<sup>&</sup>lt;sup>6</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of <u>before</u> entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to <a href="fcc504@fcc.gov">fcc504@fcc.gov</a> or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

## You may submit comments, identified by the above noted docket number, by any of the following methods:

- Federal eRulemaking Portal: <a href="http://www.regulations.gov">http://www.regulations.gov</a>. Follow the instructions for submitting comments.
- Federal Communications Commission's Web Site: <a href="http://www.fcc.gov/cgb/ecfs/">http://www.fcc.gov/cgb/ecfs/</a>. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: <a href="FCC504@fcc.gov">FCC504@fcc.gov</a> or phone: 202-418-0530 or TTY: 202-418-0432.

#### In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, <a href="https://www.bcpiweb.com">www.bcpiweb.com</a>; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Myrva Charles, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C330, Washington, D.C. 20554; email: <a href="mayrva.charles@fcc.gov">myrva.charles@fcc.gov</a>;
- (3) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-B155, Washington, D.C. 20554; e-mail: <a href="mailto:dennis.johnson@fcc.gov">dennis.johnson@fcc.gov</a>;
- (4) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: <a href="mailto:susan.o'connell@fcc.gov">susan.o'connell@fcc.gov</a>; and
- (5) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: james.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CYB402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail www.bcpiweb.com.

For further information, please contact Myrva Charles at (202) 418-1506, or Dennis Johnson at (202) 418-0809.